EXHIBIT C

UNITED STATES BANKRUPTCY COURT

DISTRICT OF DELAWARE

Case No. 08-12229 (MFW)

- -x

In the Matter of:

WASHINGTON MUTUAL, INC., et al.,

Debtors.

- -x

United States Bankruptcy Court

824 North Market Street

Wilmington, Delaware

June 3, 2010

10:34 AM

B E F O R E:

HON. MARY F. WALRATH

U.S. BANKRUPTCY JUDGE

ECR OPERATOR: BRANDON MCCARTHY

put us on hold for two minutes and then said we could not receive any of the information at all.

The creditors' committee also refused to provide us with their analysis or the results of their investigation. After extended delay, the debtors did provide us with most of the third party documents they had gathered which are quite limited. There are 238 pages. This is, Your Honor -- may I approach?

THE COURT: No.

MR. EDELSON: Okay.

THE COURT: I don't need to see it.

MR. EDELSON: This is the enti -- the sum total of the FDIC's production in this case, 238 pages received from a FOIA request substantially blacked out. It reads like a classified version of the Kennedy assassination. This is all we have from the FDIC. From the Office of Thrift Supervision, we've gotten 650 documents. From JPMorgan, we've gotten about fourteen boxes of discovery which we've reviewed. We just got that a couple weeks ago. This, Your Honor, we got on May 25th, just last week. The debtors mention this data room that they've given us access to it. They forgot to mention they gave us access to it last night around 7 p.m. That's when we got the access to it.

So, the debtors represent to this Court on paragraph 21 of the examiner motion that with respect to JPMorgan and the

Honor, we gave to the Venable firm, which was the first counsel for the equity committee, we gave them the 2004 discovery that we had months ago. We didn't wait. I don't why it is that the Venable firm didn't get it to them more quickly. But it is not the case that we waited until a week or two ago to give that to them. They've had that.

Now their other complaint about the 2004 discovery isn't that we held anything back. They can't say that and they can't say that we delayed because we didn't. Your Honor, what they're complaining about is there were parties that were saying that they would voluntarily give us information. But then after this Court ruled that we could not compel those third parties to give discovery, a number of them said well, we don't believe that we should be giving you anything voluntarily anymore. That's what happened with that. It's not that we held it back.

So, really, when you look at all of the specifics that he mentioned -- there were a lot of generalities, but when you look at the specifics, the data room, the 2004 discovery, everything they asked for voluntarily, we did give it; we did give it promptly. The one place where we did draw the line is where he said we had a phone call and we did put him on hold because what he said is we don't just want your collection of 2004 documents. He said and the question was do you have an internal set of documents that you have marked hot. And we

that the debtor would produce to the equity committee all of its work product and any document protected by attorney/client privilege because, in my view, they are your constituents as are the creditors. And in the absence of that, maybe I should reconsider my denial on the motion for an examiner and let an examiner get everybody's privileged documents.

The committee, the equity committee, is on the same side as the debtor. The equity committee is not the adversary in this issue. The FDIC and JPMorgan may be. But why aren't they entitled to those under the Garner and other common interest cases?

MR. ELSBERG: Your Honor, actually, I think that the case law that does address this question precisely is very clear that they are not entitled to this information and they're not entitled to it for several reasons. First, this is work product which is not subject to the Garner exception. And I will address that first if you'll allow me.

THE COURT: But why should it not be produced to your co-client?

MR. ELSBERG: You mean, why should we not be --

THE COURT: Work product, yes.

MR. ELSBERG: One reason is that work product cannot be, under the case law -- the standard applicable to work product is a nearly absolute protection, Your Honor. And --

THE COURT: It is from protection by the other side.

still willing to stand down and have an independent party to do that investigation. So, I think it's important to note, Your Honor, that these cases have to be in a certain posture before solicitation begins.

There are interests of completeness and transparency that have to be served in connection with the way the settlement amongst other issues are resolved. And to the extent that the Court is willing to reconsider its ruling with respect to the examiner motion, we would support the Court doing so.

We think that on balance, the cost benefit analysis favors the appointment of an examiner in the short term as opposed to miring the process immediately and what seems to be protected litigation between the parties over a host of issues. And, in fact, the cooling down period, Your Honor, may, in turn, allow the parties to get their arms around some issues, to have further discussions, and hopefully, potentially, resolve some points. But, again, to the extent that the Court's comments were -- raised the possibility that the Court would be willing to entertain such reconsideration, we fully support that path.

THE COURT: Thank you.

MR. ROSEN: Your Honor, I just want to address what Mr. McMahon said because not only is it out of the blue, I don't think it's appropriate. Specifically, Your Honor, I just

THE COURT: Well, let me rule on this issue. First, with respect to the production of work product, in the absence of clear authority, I don't think I can require the production at this point. But I agree to the extent there is any issue raised at confirmation with respect to the reasonableness of the settlement. I cannot conceive how the debtor is going to meet its burden of proof without waiver of the privilege. But I'd be surprised. But given the fact that the equity committee will not have the advantage of the debtors' work product or attorney privilege, I think an extension of all the deadlines is going to be necessary. So I'm not inclined today to deal with the disclosure statement. Instead, I will direct the parties to meet and see if they can work out a consensual discovery schedule before the next omnibus, which I believe is June 17th.

MR. ROSEN: Yes, it is, Your Honor.

THE COURT: And I'd like a report at that time. In addition, between now and then, I will review the debtors' chart and make a ruling on whether, in my opinion, the debtor has satisfied all of the objections to the adequacy of the information in the disclosure statement. If I think not, I will address the issues I think still remain at that time.

With respect to the motion for an examiner, I probably do not have jurisdiction to reconsider my decision, but I'm not sure that a new motion is preempted by the fact that my denial

MR. CALIFANO: And the problem is, and what I've tried to do, Mr. Nelson, is tailor what we might have to what might be relevant to the issues. But, instead, they're insistent, the equity committee is insistent on opening this thing up, as if the last twenty-one months never happened, because they're unhappy with the result.

Now, there has to be a way that they can get the information they need through the debtor to determine the issues that are relevant. But it is completely irrelevant, and it's completely improper to go searching through our files to find what they would have gotten if we litigated these cases. We're not litigating these cases. That's why we're settling. You know, yes, we were motivated to settle these cases. That's why we settled them. I can stipulate to that now. So I don't think they need to go searching through our files to find out why we were motivated. We negotiated for months. Months. This deal almost died a couple of times. But we negotiated for months. There was the requisite arm's length negotiation. I don't think they need to see whether we were vigorously contesting these cases. There was litigation in Texas, D.C and in this court.

Now, I understand that they feel they may need to examine whether the settlement is reasonable. And Your Honor was correct. They stand in the debtors' shoes. They don't stand in our shoes. They don't get to look at why the FDIC